GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA

UNSTARRED QUESTION NO:3717
ANSWERED ON:22.08.2005
NEW DEAL FOR FARM INVESTMENTS
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Will the Minister of AGRICULTURE be pleased to state:

(a) whether the Government is planning a new deal to reverse decline in farm investments through increased funds for agricultural research, irrigation and wasteland development; and

(b) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI KANTI LAL BHURIA)

(a)&(b): Keeping in view the importance of Agriculture in the economy, the Union Budget 2005-06 has provided increased outlays in areas like research, horticulture and irrigation including micro irrigation. The budgeted outlay on agricultural research has been enhanced from Rs.1000 crores to Rs.1150 crores in 2005-06. The Budget has also provided Rs.630 crore in 2005-06 for the National Horticulture Mission, which will ensure end-to-end approach having backward and forward linkages covering research, production, post harvest management, processing and marketing, under one umbrella, in an integrated manner. The Budget has provided Rs.4800 crore for the Accelerated Irrigation Benefit Programme for 2005-06 compared with Rs.2800 crore in 2004-05. The budget has provided Rs.200 crores for dryland farming in arid and semi-arid region to enhance sustainability of rainfed farming system for the year 2005- 06. With a view to improving water use efficiency in Indian agriculture, the Budget has provided for Rs.400 crore for promoting micro irrigation in 2005-06. Since the flow of credit is important in accelerating the pace of investment in agriculture, the disbursement of agricultural credit is proposed to be stepped up by 30 per cent in 2005-06 over the credit disbursement of Rs.1,15,243/- crore in 2004-05, which exceeded the credit disbursement of Rs.86,981 crore made in 2003-04 by 32 per cent. Cumulatively the measures sustained on a progressive basis are expected to lead to a reversal of deceleration in agricultural growth. Simultaneously since agriculture is a State subject, States will have to increase their budgetary outlays on agriculture.